

**MINUTES OF THE SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL HELD
MONDAY, AUGUST 4, 2008, 3:00 P.M., AT THE LAKE LURE MUNICIPAL CENTER**

PRESENT: Mayor Jim Proctor
Commissioner Wayne Hyatt
Commissioner Jeanine Noble
Commissioner Russ Pitts
Commissioner Linda Turner

Steve Wheeler, Town Manager
J. Christopher Callahan, Town Attorney

ABSENT: N/A

Call to Order

Mayor Proctor called the meeting to order at 3:00 p.m.

INVOCATION

Attorney Callahan gave the invocation.

**DISCUSSION REGARDING THE DISTRIBUTION OF FUNDS FOR THE FIREFLY COVE
WATER SYSTEM**

Harlow L. Brown, P. E., Chief Engineer of Brown Consultants, PA stated that he was asked by the town to report on the condition of the installed system according to the approved plans and state regulations in light of the town accepting the Firefly Cove Water System for ownership and maintenance. Mr. Brown said Brown Consultants PA was asked to perform this inspection and prepare a technical memorandum the week of July 21, 2008. He said this report does not address design, material or system operational matters. Mr. Brown reviewed and answered questions pertaining to following technical memorandum dated August 1, 2008 regarding Firefly Cove Water System completion and condition of the system as of July (Job No. 08061).

BROWN
CONSULTANTS, PA

BROWN CONSULTANTS, PA
554 B RIVERSIDE DR.
ASHEVILLE, NC 28801
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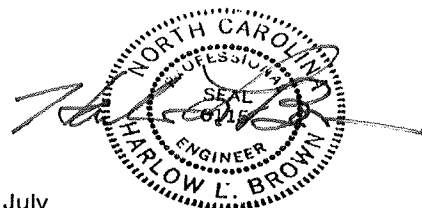
August 1, 2008

TECHNICAL MEMORANDUM

TO: Steve Wheeler
Town Manager, Town of Lake Lure, NC

FROM: Harlow L. Brown, P.E.,
Chief Engineer

RE: Firefly Cove Water System
Completion and Condition of the System as of July
Job No. 08061



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GENERAL

The purpose of this Memorandum is to report to the Town the condition of the installed system according to the approved plans and state regulations in light of the Town accepting the Firefly Cove Water System for ownership and maintenance. Brown Consultants PA was asked to perform this inspection and prepare this Technical Memorandum the week of July 21, 2008. The report does not address design, material or system operational matters.

Mr. Don Byers, Senior Project Manager of this office, together with the Town's Distribution Operators, Mr. Tony Hennessee and Mr. Gary Roberts conducted an inspection of the system on Wednesday, July 30, 2008. I have had a lengthy meeting with the project engineer, Mr. David Odom, PE, the project, which I have reviewed, then had follow up queries with Mr. Odom on various items.

The following are our findings and recommendations as a result of our inspection.

BASIC SYSTEM COMPONENTS AND OPERATIONS CONCEPT

The Firefly Cove Water system consists of two wells, well pumps, treatment system, a 127,000 gallon steel storage tank with adjacent graded area for a second tank, a distribution system with 8" and 6" DIP, and 2" PVC pipe water lines with Hydrants, valves, pre-set water services, and associated appurtenances. The system is interconnected to the Town's existing 6" line at the Boys Camp Road - Chapel Point Road intersection.

The concept is to increase source water and storage for Firefly Cove and the Town. Firefly Cove consists of 61 lots and 7 living units in one building for a total of 68 units creating a total demand of 27,200 GPD. Storage requirements for Firefly Cove would be the 27,200 GPD plus a fire flow of 60,000 GPD for a total storage requirement of 87,200. The tank holds 127,000 gallons, thus yielding an additional storage available for the Town to use of about 40,000 gallons.

The total yield for the two (2) wells is 98 GPM, or at the maximum pumping allowed by the state of 12 hours per day, the available yield from the wells is 70,560 GPD which (pending a fire emergency) provides the Town with an additional 43,000 GPD of water. This would serve about 108 households.

The larger 8" line from the tank to the Boys Camp Road will provide for future expansion beyond Firefly Cove.

RESULTS OF FIELD INSPECTION

Generally the results of the field inspection show that the system was installed with good construction practices with quality materials that meet all AWWA standards. However there are a number of items that need to be addressed prior to final acceptance by the Town for ownership and operations. Specific items include:

1. Seeding and repair the erosion from well testing, the tank site and general construction areas (see photos attached)

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2. Provide security and weather protection of the well heads, power supply and control valves (see photo attached)
3. Drain pipe in check valve vault is too high so that it will not drain and there is standing water in the vault
4. Rip Rap is needed at the over flow pipe from the tank
5. The hot box cover is missing and there is no security
6. The treatment building needs to be energized, motors wired, tanks labeled, system start up and tested (see photo attached)
7. SCADA system needs to be installed, energized and tested
8. Town operators must observe all start up operations, receive any needed training, and equipment manuals
9. System to be filled with water, flushed at every hydrant, and a final Bacteria Test performed prior to placing into service
10. Each Valve to be turned to assure they are open and work
11. After all the items 1-10 are completed, and upon receipt of the NC State Authorization to Operate the System; then only the Town operators should be allowed to open the valve on Boys Camp Road connecting to the existing Town system

Water Quality

The well tests for water quality were taken on January 1, 2007. Well No.1 passed all parameters. Well No. 3 passed all parameters except for Uranium. The Allowable Limit is 20.1 pCi/L, and the test result was 28.9 pCi/L. On July 27, 2007 after several hours of flushing, the new test was performed, and the results were 3.3 pCi/L and therefore the test passed.

The wells were tested on November 14, 2006 for Coliform and Fecal/Ecoli and the results were "absent". Copies of all of these test reports are attached. Tests for Coliform and Fecal/Ecoli in the distribution system and Tanks were not available and may or may not have been performed.

DOCUMENTS REVIEW

Results of the documents review indicate that most items have been addressed; however the following specific documents need to be in place before the Town should accept the system for ownership and operations. (Some of the items listed may exist but simply were not available to the author of this memorandum for verification)

1. Set of O & M manuals for all equipment, the supplier, and any warranties for the materials and equipment

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2. Proof that the well pumps are new and not used
3. Notarized Statement that all work will be warranted for Twelve (12) months from date of acceptance by the Town
4. Final Copy of the well certification book for the Town
5. Re-survey and recorded plat for Well No. 3 on lot 48 showing a full 100 feet clearance from the well head according to state regulations
6. A set of as-built drawings for the Town's operators
7. Copy of the pressure test results on the piping
8. Copies of tests for Coliform and Fecal Ecoli for the distribution system and tanks
9. Engineers Certification submitted to the State and Town
10. State authorization to operate the system
11. A legal instrument(s) acceptable to the Town's attorney conveying all infrastructure, tank and wells, including the property they are situated upon to the Town; and easements where the infrastructure is located outside of road rights of way.

Recommendation:

Upon completion of the items listed above and prior to placing the system into service, since the most recent coliform and Fecal/Ecoli test is almost two years old, the system should be thoroughly flushed, and a new coliform Fecal/Ecoli test performed to assure the water is potable and ready for human consumption.



Erosion control; clean-up and seeding



Erosion from well flushing; repair, and seed

John Cloud, the current owner of the Firefly Cove water system and David Odom, PE, the project engineer were present and answered questions pertaining to this project. Mr. Cloud agreed to work with Town Attorney Callahan to finalize documents (deeds, easements, etc.) transferring the ownership of the Firefly Cove water system over to the town. Mr. Cloud also agreed to furnish a notarized statement that he has no outstanding bills pending against the Firefly Cove water system project before the town takes ownership of this system. Mr. Cloud and Mr. Odom agreed to work with the town's engineer Harlow Brown, Chief Engineer of Brown Consultants, PA and Town Attorney Callahan to address items outlined in Mr. Brown's memorandum dated August 1, 2008 listed under results of field inspection and documents review prior to final acceptance of ownership of Firefly Cove water system by the town.

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After discussion, Commissioner Hyatt made a motion to:

- (1) Authorize the final payment to John Cloud for the remaining balance of \$98,161 (transfer from the water/sewer fund equity account to the water department account) for reimbursement costs for the Firefly Cove water system. Request Mr. Cloud to furnish to the town a notarized paid in full statement and a notarized statement that he has no outstanding bills pending against the Firefly Cove water system project before the town accepts ownership; and
- (2) Instruct John Cloud and David Odom to work together with the town's engineer Harlow Brown, Chief Engineer of Brown Consultants, PA and Town Attorney Callahan to address and complete within 30 days all of the items as outlined in Mr. Brown's memorandum dated August 1, 2008 listed under results of field inspection and documents review prior to final acceptance of the ownership of the Firefly Cove water system by the town. Require the SCADA system be installed, energized and tested and completed within 30 days or shortly thereafter. The town will bill Mr. Cloud for any uncompleted items agreed upon listed in Mr. Brown's memorandum dated August 1, 2008.

Commissioner Pitts seconded the motion. Commissioners Hyatt, Pitts, and Turner voted in favor of the motion. Commissioner Noble abstained from voting (counts as a yes vote). Therefore, the motion carried unanimously.

CLOSED SESSION

The Mayor recessed the meeting at 3:30 p.m. for a break and reconvened the meeting at 3:45 p.m.

A motion was made by Commissioner Noble to enter into the closed session in accordance with G.S. 143-318.11(a) (3) to discuss legal matters and attorney/client privilege including an update on the ongoing lawsuit between Patricia Hyatt and the Town of Lake Lure. Commissioner Turner seconded the motion and the vote of approval was unanimous.

While in closed session, Council members voted to seal the minutes of the closed session meeting in order to avoid frustrating the purpose of the closed session.

With no further items of discussion in closed session, Commissioner Turner made a motion to come out of the closed session meeting and re-enter the regular session of the town council meeting at 4:45 p.m. Commissioner Hyatt seconded the motion and the vote of approval was unanimous.

CONSIDER AWARDING THE BID AND APPROVAL OF A CONTRACT FOR THE LAKE LURE WASTEWATER TREATMENT PLANT UPGRADE JOB #08030

After discussion, Commissioner Hyatt made a motion to:

- (1) Abandon the current project at the wastewater treatment plant by McGill Associates and Dellinger, Inc. regarding the failed vacuum system equipment for removing solids at the wastewater treatment plant. This system has been deemed as a failure and unusable by the town;

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- (2) Authorize the town attorney and town manager to seek reimbursement of town funds from McGill Associates and Dellinger, Inc. resulting from the failed system at the wastewater treatment plant;
- (3) Authorize the town attorney and town manager to notify McGill Associates and Dellinger, Inc. that they have up to ten days to remove the vacuum system equipment from the wastewater treatment plant or the town will have it removed and will charge them for it; and
- (4) Authorize to proceed with accepting another system at the wastewater treatment plant.

Commissioner Turner seconded the motion and the vote of approval was unanimous.

Town Manager Steve Wheeler informed council members that the following two bids were received on July 1, 2008 for the Lake Lure wastewater treatment plant improvements project Job No. 08030.

<u>Contractor</u>	<u>Bid Amount</u>
Carolina Specialties	\$353,007.46
Hobson Construction	\$300,350.00

Mr. Wheeler suggested that Town Council award the bid to Hobson Construction based upon their low bid of \$300,350.00. Jeffrey T. Brown with Brown Consultants informed Mr. Wheeler that they have reviewed all of the bids and have found all bids to be responsible and responsive.

After discussion, Commissioner Hyatt made a motion to:

- (1) Accept the bid of \$300,350.00 submitted by Hobson Construction of Arden, North Carolina;
- (2) Approve the following contract agreement with Hobson Construction as amended; and
- (3) Authorize the town manager to sign documents including the contract agreement with Hobson Construction, notice of award, and notice to proceed.

Commissioner Turner seconded the motion and the vote of approval was unanimous.

SECTION 00500

CONTRACT

THIS AGREEMENT made this 4 day of August, 2008, by and between The Town of Lake Lure, NC, hereinafter called "Owner", and Hobson Construction Company, Inc., doing business as a partnership/ a corporation /an individual (Strike out inapplicable terms), with its principal office in the City of Arden, County of Buncombe, State of North Carolina, hereinafter called "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the Owner, the Contractor hereby agrees with the Owner to commence and complete the construction described as follows:
Town of Lake Lure WWTP Upgrade

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hereinafter called the "Project", for the sum of (write out) Three Hundred Thousand, Three Hundred Fifty and no cents, \$ 300,350.00

Contractor further agrees to commence and complete any and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the Contract; and at his (its or their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendents, labor, insurance and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the General Conditions, Supplemental General Conditions of the Contract, the plans, including all maps, plats, blueprints, and other drawings and printed or written explanatory matters thereof, the specifications and contract documents therefore as prepared by Brown Consultants, PA, herein entitled the "Engineer", and as enumerated in Paragraph 1 of the Supplemental General Conditions, all of which are made a part hereof and collectively evidence and constitute the Contract.

The Contractor hereby agrees to commence work under the Contract on or before a date to be specified in written Notice to Proceed from the Owner and to fully complete the project within 70 consecutive calendar days thereafter. Contractor agrees to install equipment and materials in strict accordance to the plans and specifications, with all intent to enable the Town, to properly operate the sewer plant within Federal, State and Local Requirements. The Contractor further agrees to pay as liquidated damages the amount of \$500.00 for each consecutive calendar day thereafter that the Contractor fails to complete the project, as hereinafter provided in Paragraph 19 of the General Conditions.

The Owner agrees to pay the Contractor in current funds for the performance of the Contract, subject to additions and deductions, as provided in the General Conditions of the Contract, and to make payments on account thereof as provided in Paragraph 25, "Payments to Contractor", of the General Conditions.

IN WITNESS WHEREOF, the parties hereto have executed this contract in six (6) counterparts, each copy of which shall be deemed an original, in the year and day first above mentioned.

(Seal)

Town of Lake Lure

OWNER

By:

NAME

Title:

ATTEST:

Hobson Construction
Company, Inc.

CONTRACTOR

Witness

By:

Mr. W. H. Hobson

Title

President

Witness

(Corporate Seal)

Contractor's Address:
P.O. Box 250
475 Glen Bridge Road
Arden, NC 28704

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ATTEST:

Secretary

Witness

END OF SECTION

DISCUSSION REGARDING THE EMERGENCY STATE OF THE LAKE LEVEL


Commissioner Pitts requested that an item be added on this agenda to discuss the emergency state of the lake level. Council members talked about the need to get equipment immediately to measure the water flow in and out of the lake. Council members agreed to discuss this matter further at their next regular meeting being held on August 12, 2008.

ADJOURN THE MEETING

With no further items of discussion, Commissioner Turner made a motion to adjourn the meeting at 5:00 p.m. Commissioner Pitts seconded the motion and the vote of approval was unanimous.

ATTEST:





Mary A. Flack, MMC
Town Clerk



Mayor Jim Proctor